



## DRAFT

**Thursday, February 9, 2006**

Virginia Information Technologies Agency (VITA) Auditorium  
110 South Seventh Street, Richmond, VA

### Attendance

#### Members Present:

The Honorable Aneesh Chopra  
James W. Hazel  
Hiram R. Johnson  
Kenneth S. Johnson, Sr.  
Walter J. Kucharski

James F. McGuirk, II, Chair  
Scott D. Pattison  
Leonard M. Pomata  
Alexander "Sandy" Thomas

#### Member Absent:

Mary Guy Miller, Ph.D.

#### Others Present:

Lemuel C. Stewart, Jr., Chief Information Officer of the Commonwealth  
John Westrick, Office of the Attorney General  
Marcella Williamson, ITIB Executive Director

### Call to Order

Chairman James F. McGuirk, II, called the meeting of the Information Technology Investment Board (ITIB) to order at approximately 1:08 p.m.

Chairman McGuirk introduced new Secretary of Technology Aneesh Chopra. He said Secretary Chopra previously was managing Director of the Advisory Board, a think tank providing strategic research to hospitals and health systems. Chairman McGuirk said Secretary Chopra also generated revenue and ran a business. He said the new Secretary previously served on the Virginia's Board of Medical Assistance Services and on Virginia's Electronic Health Records Task Force. He has a bachelor's degree from Johns Hopkins and a master's in public policy from John F. Kennedy School of Government. He noted that Secretary Chopra attended the Statewide Information Technology Strategic Planning session even before taking office, showing his commitment to the ITIB's objectives.

Secretary Chopra said he greatly appreciates the opportunity to sit along side the Commonwealth's brightest minds in the use of technology and to join in advancing the Commonwealth's objectives. He said he is entering state government at a time when the quality of information technology has been elevated and is pleased with the rigor with which project management is approached.

Secretary Chopra said he will spend his time looking at how technology can be better used to meet the needs of the Commonwealth and will serve as a communication bridge in that regard.

He said his three priorities will be using technology in

- Transportation, whether through intelligent transportation or demand management
- Health care, promoting administrative efficiency and elevating quality of care through the electronic health care initiative
- Education, facilitating links between the Commonwealth's assets at the university level and the needs of workforce development, and having cutting-edge researchers address the Commonwealth's needs

At the request of the chair, Marcella Williamson called roll and confirmed the presence of a quorum.

## Approval of the Minutes

Chairman McGuirk introduced the draft meeting minutes from the December 8, 2005, board meeting and January 11-12, 2006, strategic planning meeting. Sandy Thomas moved the minutes be approved. Jimmy Hazel seconded the motion. The minutes were approved by unanimous vote.

## CIO Status Report

Chief Information Officer (CIO) of the Commonwealth Lemuel C. Stewart, Jr., provided a status report to the Board. Topics of his presentation included:

- Highlights since the last meeting, including submission of the quarterly report; an employee dialogue that included Northrop Grumman representatives; a workshop attended by 40 Small, Woman and Minority-Owned (SWAM) vendors on how to do business with VITA; a planned information-sharing session with agency heads, cabinet heads and deputies, and Agency Information Technology Resources (AITRs); and receipt of a draft customer survey from the University of Virginia that will be finalized and an action plan developed prior to the next ITIB meeting.
- The information security audit action plan shows that of 16 actions required, five are complete, three have revised due dates and eight are on schedule; the performance audit action plan has 15 items, 10 of which are complete, one has a revised due date and four are on schedule; the Auditor of Public Accounts (APA) audit is in progress; and VITA is working with three agencies that have audit points related to security and IT infrastructure.
- Security statistics show a significant amount of cyber attacks are being blocked.
- The VITA organization is evolving and maturing and functions have been realigned to gain synergy and eliminate redundancy, and a change management capability is being implemented. Key challenges are organizational transition in VITA and the agencies because of process changes; scope and complexity of project management; security vulnerability; assumed new responsibilities; and timing and managing expectations around the IT Infrastructure Partnership.
- Second quarter finances show actual revenue of \$141,853,428 and expenses of \$139,486,424.

- House Bill and Senate Bill 29 contain language approving the capital lease agreement portion of the IT Infrastructure Partnership with Northrop Grumman, and scenarios on the obligation of the capital lease were presented.

## **“Generic” Enterprise Dashboard**

Lem Stewart said ITIB and VITA began looking at performance metrics about a year ago and VIA has built a dashboard that is a performance measurement tool. He said ITIB members will receive training on and have access to the dashboard prior to the next meeting, and that a public-facing version will be placed on the agency’s Web site. Lem Stewart said after a presentation to former Governor Mark R. Warner on the dashboard, Governor Warner asked that it be rolled out to all agencies. Lem Stewart said Governor Tim Kaine agrees that Executive Branch agencies can use the dashboard to see how they are performing. The dashboard is a standard template and is being made available to all executive agencies.

Lem Stewart introduced Loyd Lane, who leads Customer Relationship Management, to present information on the “Generic” Enterprise Dashboard.

Loyd Lane said the dashboard developed by VITA supports queries to eVA, Commonwealth Accounting and Reporting System (CARS) and Virginia Excels, which are used by all agencies. After agencies learn how to use the dashboard and realize the value of the dashboard, VITA expects agencies will want to customize and add to the dashboard.

He said the dashboard enables users to manage supply chain metrics, makes it easy to manage and monitor agency performance, and facilitates SWAM reporting.

Walt Kurcharski questioned the accuracy of the data. Loyd Lane said the information came from databases and is not perfect. Lem Stewart said this is not an accounting statement and there will be administration guidance about how accurate it is and how it should be used. Walt Kurcharski said some of the information in the systems is not accurate, and agencies using the information should understand this is their data. He said using this data concerns him and he would not want business decisions made where the data is of questionable value.

Len Pomata says this is a graphic report generator that sits on top of data at an agency. He said if the data is inaccurate then the report will be inaccurate. He asked if the information is integrative in any way.

Lem Stewart said it takes multiple data bases, extracts information, builds a new repository, and permits the rollup of information. He said it can be integrative. Walt Kurcharski again cautioned that the information is questionable.

Secretary Chopra said if the data is bad, it will come to light. He said the bigger issue is finding information across agencies, and analyzing that information across agencies and in particular categories. He said without the capability of this dashboard, it would be an incredibly tedious and manual process to answer basic business questions. He said the data may be flawed but the dashboard will provoke questions about the quality of the data.

Walt Kurcharski said he had to leave the meeting before the presentation on the Enterprise Architecture, and asked for an explanation of the difference between the dashboard and #3 in the Enterprise Architecture that will cost \$3 million. Lem Stewart said he and Secretary Chopra and staff met and this product could be the selected tool. Secretary Chopra said he

has no tolerance for duplication of effort. Walt Krucharski suggested that VITA look at Commonwealth DataPoint and not duplicate what APA has done for CARs and some other data.

## IT Infrastructure Partnership

Chairman McGuirk asked Fred Duball, Director of VITA's Service Management Organization (SMO), to present an update on the IT Infrastructure Partnership.

Fred Duball reviewed the SMO organizational chart and functions of each unit. Hiram Johnson asked how many positions were filled. Fred Duball said the top three. He said interviews have been completed for some staff positions. Kenneth Johnson asked who is filling these positions. Fred Duball explained that the positions are VITA positions, but that task force teams are composed of both VITA and Northrop Grumman staff. Hiram Johnson strongly urged placing VITA employees in these new positions. Fred Duball said that is the priority.

Fred Duball said an architecture review team and task forces have been formed and are preparing weekly status reports. He said, depending on General Assembly approval, the IT Infrastructure Partnership begins on July 1.

Len Pomata said he would like to see additional status of planning activities. Chairman McGuirk said the Board will need much more detail. Len Pomata said if the final implementation plan is to be approved at the April meeting, the ITIB needs more details soon. Chairman McGuirk said a subset of the ITIB should start to look at the implementation plan from an oversight perspective.

## Committee Reports

Chairman McGuirk called for committee reports.

### CIO Evaluation Committee

Hiram Johnson said the CIO's performance has been extraordinary, and that the accomplishments of VITA and VITA staff have been outstanding. He made the following motions:

*I move that in accordance with the ITIB CIO Evaluation Policies and Procedures and based on the CIO's performance for the year ending January 20, 2006, and the recommendation of the CIO Evaluation Committee that the ITIB approve a 5 percent bonus to the CIO. Such increase will be granted contingent on the approval of the Governor.* The motion was seconded by Aneesh Chopra and approved by the Board.

Hiram Johnson said the 2006-07 CIO draft objectives have been accepted in concept by the committee and empowered the CIO Evaluation Committee Chair to finalize the objectives with the CIO. The final objectives will be provided to the ITIB and the Governor.

### Finance and Audit Committee

Finance and Audit Committee Chairman Scott Pattison reported that financial results for the last quarter show revenue and expenditures where expected and no unusual activity. He said implementation of new rates approved by JLARC is under way.

Scott Pattison said the Generic Enterprise Dashboard rates require JLARC approval. He said the start-up costs are being funded out of central appropriations as a result of efficiency funds by the Administration. As a result, rates are lower. He made the following motion:

*I move that the Board approve the request for the rate for the dashboard of \$75.77 per month per agency, plus the \$16.53 per month for each additional dashboard user.* The motion was seconded by Hiram Johnson and approved by the Board.

Scott Pattison presented the audit corrective action plan. He said four due dates were revised and that the committee agreed to keep the March 31 date for the Statewide IT Strategic Plan.

*I move that the board approve the amended action plan as amended.* The motion was seconded by Jimmy Hazel and approved by the Board.

## Legislative Review Committee

Legislative Review Committee Chairman Hiram Johnson reported on bills of interest, including bills related to the Public-Private Education Facilities and Infrastructure Act (PPEA), funding for the Virginia base mapping program, requiring IT professionals to report on sexual offenders, authorizing money for the state police radio system, and E911.

Jimmy Hazel asked the CIO to comment on how the General Assembly currently views VITA and the IT Infrastructure Partnership. Lem Stewart said there appears to be sound support and an understanding of the IT Infrastructure partnership, and that General Assembly leadership has commented that the ITIB and VITA employees deserve accolades for their work on the project.

## Strategic Planning and Review Committee

SPARC Chairman Len Pomata reported work is proceeding on the Statewide IT Plan with the document due at the end of March. He said SPARC asked for an interim draft by the end of February or first of March. It also is being determined if the plan meets the requirements of the State Code.

Len Pomata provided a project review status, noting that one project is "red" and there are a number of "yellow" projects and plans are under way for corrective action.

Len Pomata said the RTIP survey did not result in a great response. He said that is worrisome. He said questions came up about whether it meets the intent of the State Code and provides appropriate information to those who use it. He said by the end of the month an updated draft outline will be prepared and it will be determined whether the report meets the intent of the State Code.

He said the Auditor of Public Accounts presented a briefing. He said the committee members agreed that if an APA audit mentions projects, those comments should be noted on the project status report.

Sandy Thomas said the committee also agreed to go back to a target audience over an above the survey and ask them the relevance of the report and whether it meets their expectations.

## Commonwealth Enterprise Applications

Chairman McGuirk asked Tim Bass, Deputy Secretary of Technology, to update the Board on the Commonwealth Enterprise Applications (EA) PPEA. He noted that the ITIB wanted an update to understand its relationship to the IT Infrastructure Partnership and how the EA project is being viewed and how the ITIB could play a role.

Tim Bass said there is an interesting triad forming – infrastructure and all the gains and modernizations there for base computer systems, EA to redesign the business processes, and the Council on Virginia's future Commonwealth Performance Dashboard and related dashboards.

He noted the differences between the IT Infrastructure Partnership and the EA. He discussed the due diligence activities and the proliferation of systems found. He said processes must be redesigned, and that many of the systems being used are out of date. He said there are 250 systems many of which are ad hoc systems, and that a change may break the system. He said the processes must be changed.

Mr. Kucharski said if processes are to be undone, legislative changes will be required. He also said much of what has been done was done in a smokestack system that is disjointed and the agencies were allowed statutorily to do this. He said the Board will need to know how to prevent that from happening again.

Ken Johnson asked what will come first and how projects will be prioritized.

Walt Kucharski asked how EA will get agencies to use enterprise wide systems. He said, for example, that General Services has a fleet utilization system in place but agencies will not use it.

Tim Bass said an evaluation process will determine which systems in place can be used. He said EA will determine if systems in place can be leveraged.

Jimmy Hazel asked what happens if the General Assembly does not allocate the \$30 million needed for the project.

Tim Bass said it would depend on how much is allocated.

Jim McGuirk said EA will be a long, involved process. He said he is more concerned that there is a \$30 million request before the General Assembly that will only provide requirements analysis and piloting of middleware. He said at some point, EA must change the technology system. He said a better return on the investment would be to actually update an old technology system – such as payroll statewide. He said he would rather spent money for a new technology system than on a report. He said he believes EA will cost much more.

Ken Johnson asked if there is a proposal for \$30 million before the General Assembly. Tim bass said yes, it is \$30.5 million and part of the appropriation. Len Pomata asked if that was included in the RTIP approved by the ITIB. Tim Bass said no; but, the project was approved for planning earlier in the year.

Len Pomata said the pilot and study are too long, and that it is time to start implementing improvements. He said if the EA takes two years of study, the ITIB will continue receiving requests for system upgrades and the state will spend money in the interim on systems that

should be discarded. He suggested less study and more real progress so that improvements can be implemented across the Commonwealth.

Ken Johnson asked Tim Bass to provide the ITIB with the 38 deliverables listed under the \$16.4 million with CGI/AMS.

Tim Bass noted that the blueprint for improvements is needed first and that it is too early to select products.

Ken Johnson said the challenges have been presented but not the solutions, and said he agrees EA will cost a lot more.

Tim Bass said EA is looking at integrated financial management, human resources, asset management, inventory and travel systems, and requirements must be determined before action can be taken.

Jim McGuirk thanked Tim Bass for his time and for providing information to the Board.

## Other Business

Chairman McGuirk provided a proposal to restructure the ITIB. He said when the Board was formed, it was to establish VITA, hire a CIO, put project management processes in place, establish rates and ensure financial stability, and make sure it understood proposed legislation and the impact on IT.

McGuirk said the proposal is to elevate the strategic plan and RTIP report out of the committee process and to the ITIB. Separate meetings would focus on operational matters and strategic matters. A new committee structure would be established.

Scott Pattison said it is a great structure and he is fully in support of the proposal.

Jimmy Hazel noted that the ITIB was established as a supervisory board, which is the highest type of board in Commonwealth. He said it was envisioned the Board would engage at a high level and it has, would move forward an agenda for the benefit of the Commonwealth to improve technology and it has, and that the Board would continue to adapt and it is doing so.

John Westrick said the Board has made a few delegations of authority, and it would be useful if there is a restructuring to consider continuing those until they are identified in order to be addressed to the extent the board wants to continue, abolish or replace the procedures associated with them. Chairman McGuirk said all policies in place would continue, and thanked John Westrick for his advice.

Aneesh Chopra made the motion:

*I move to adopt the proposal to restructure the ITIB.* Hiram Johnson seconded the motion, which was approved by the Board.

Chairman McGuirk noted that there is a vacancy in the vice chair position. Lem Pomata made a nomination:

*I move that Hiram Johnson be elected Vice Chair of the ITIB.* The motion was seconded by Jimmy Hazel, and adopted by the Board.

## Public Comment

Chairman McGuirk solicited public comment.

John Martino, ADP, said his company would be happy to help with an enterprise payroll system.

## Adjournment

Len Pomata moved to adjourn the meeting. Hiram Johnson seconded the motion. Chairman McGuirk adjourned the meeting at 4:08 p.m.